

Message Text

CONFIDENTIAL

PAGE 01 HONG K 11539 01 OF 03 220136Z

70

ACTION EB-06

INFO OCT-01 EUR-08 EA-06 ISO-00 SP-02 AID-05 NSC-05 RSC-01

CIEP-01 TRSE-00 SS-15 STR-01 OMB-01 CEA-01 CIAE-00

COME-00 FRB-01 INR-05 NSAE-00 XMB-02 OPIC-03 LAB-01

SIL-01 AGR-05 SWF-01 OES-03 CEQ-01 EPA-01 SAJ-01

SAM-01 NIC-01 TAR-01 HEW-02 CU-02 /085 W

----- 069540

R 212305Z OCT 74

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 2614

INFO USLO PEKING

AMEMBASSY BANGKOK

AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY MOSCOW

AMEMBASSY RANGOON

AMEMBASSY ROME

AMEMBASSY SINGAPORE

AMEMBASSY TAIPEI

AMEMBASSY TOKYO

AMEMBASSY VIENTIANE

AMEMBASSY CANBERRA

AMEMBASSY SAIGON

COMUSTDC

FBIS OKINAWA

CINCPAC HONOLULU HI

AMCONSUL BRISBANE

AMEMBASSY PARIS

C O N F I D E N T I A L SECTION 1 OF 3 HONG KONG 11539

NOFORN

CINCPAC FOR POLAD

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HONG K 11539 01 OF 03 220136Z

E.O. 11652: GDS
TAGS: ECRP, CH, XX
SUBJECT: PEOPLE'S REPUBLIC OF CHINA --ECONOMIC REVIEW 21

REF: CERP 0003

TABLE OF CONTENTS:

1. SUMMARY OF ACTIVITIES DURING THE REPORTING PERIOD
2. FOOD IMPORTS SLACKEN
3. POSTAL AND TELECOMMUNICATIONS TARGET REACHED
4. NATIONAL CONFERENCE ON SMOKE AND SOOT ELIMINATION
5. CANTON TRADE FAIR OPENS
6. PEKING SLAMS FORD'S ECONOMIC PROGRAM
7. TWO BLOC SCIENTIFIC/TECHNICAL PROTOCOLS SIGNED
8. TRADE AGREEMENTS SIGNED
9. PRC EXHIBITIONS AND FAIRS ABROAD
10. FOREIGN EXHIBITIONS IN THE PRC
11. RECENT REPORTS ON ECONOMIC TOPICS

1. SUMMARY OF ACTIVITIES DURING THE REPORTING PERIOD
THERE MAY BE SOME RELATIONSHIP BETWEEN ROSY HARVEST PROSPECTS AND A DECLINE IN PRC FOOD IMPORTS (ITEM 2). BY THE SAME TOKEN, SHRIMP, ONE OF THE HOTTER PROSPECTS FOR PRC EXPORTS TO THE U.S., HAS RUN INTO A PROBLEM IN MEETING FDA QUALITY CRITERIA (HK 11256). FURTHER EVIDENCE OF THE REGIME'S CONCERN WITH INCREASING PRODUCTION IS FOUND IN MEDIA TREATMENT OF MILITIA BUILDING WHICH REEMPHASIZES THE MILITIA'S TRADITIONAL ROLE OF ACTING AS A CATALYST TO PRODUCTION (HK 11376). A RECENT ANHWEI BROADCAST INDICATES THAT THE TELECOMMUNICATIONS TARGETS SET OUT IN THE 1956 AGRICULTURAL PLAN ARE BEING ACHIEVED -- IF SOMEWHAT BELATEDLY (TEM 3). A RECENT CONFERENCE AT SHENYANG FOCUSSED ON SMOKE ABATEMENT AND ENVIRONMENTAL IMPROVEMENT WHILE STILL PUSHING PRODUCTION (ITEM 4). UNIVERSITY ENROLLMENT HAS INCREASED BY 11 PERCENT BUT THE WHOLE SYSTEM OF HIGHER EDUCATION IS STILL SUFFERING FROM THE EFFECTS OF THE CR (HK 11503). THE CANTON FAIR OPENED ON OCTOBER 15. AS IN THE SPRING, THE STRESS IS ON EXPORTS; IT IS TOO EARLY, HOWEVER, TO DETERMINE WHETHER

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 HONG K 11539 01 OF 03 220136Z

AVAILABILITIES WILL MAKE HIGHER SALES POSSIBLE (ITEM 5). IN A PEEK AT THE U.S. ECONOMY, PEKING HAS DISMISSED PRESIDENT FORD'S DOMESTIC ECONOMIC PROPOSALS AS AN ADDITIONAL BURDEN ON THE PEOPLE (ITEM 6). PLANS HAVE BEEN ANNOUNCED FOR IRAN AIR TO COMMENCE TWICE-WEEKLY SERVICE TO PEKING AND TOKYO (HK 11497). IN BLOC RELATIONS, TWO SCIENTIFIC AND TECHNICAL PROTOCOLS WERE CONCLUDED WITH BULGARIA AND CZECHOSLOVAKIA IN LATE SEPTEMBER (ITEM 7). CONTINUING

AN ALREADY HYPERACTIVE YEAR, CCPIT HAS PARTICIPATED IN A RECORD NUMBER OF INTERNATIONAL FAIRS (ITEM 9). THESE EFFORTS ARE BEING RECIPROCATED BY FOREIGN EXPORTING COUNTRIES. A POLISH EXHIBITION CLOSED IN LATE SEPTEMBER WHILE AUSTRALIAN DEPUTY PRIME MINISTER CAIRNS OPENED HIS COUNTRY'S FIRST PRC EXHIBITION ON OCTOBER 11 (ITEM 10).
END SUMMARY.

2. FOOD IMPORTS SLACKEN

AMIDST FAVORABLE NEWS REPORTS ON ITS HARVEST PROSPECTS, THE PRC HAS BECOME NOTICEABLY LESS ANXIOUS FOR THE DELIVERY OF FOOD IMPORTS. ON SOYBEANS, WHERE PEKING CLAIMS PROBLEMS WITH DATURA SEEDS AND WHERE THE PRICE HAS RISEN, PEKING HAS RESOLD TO THE SUPPLIER AT A PROFIT. THE PRC HAS ALSO MOVED TO CANCEL OR DELAY U.S. GRAIN SHIPMENTS AT A TIME WHEN CONTINUING SHIPPING PROBLEMS HAVE ALREADY CUT INTO CANADIAN DELIVERIES AS WELL. FOR WHATEVER IT MAY BE WORTH AS AN INDICATOR OF PRC GRAIN HARVEST EXPECTATIONS, WE NOTE THAT PRC GRAIN IMPORTS THIS YEAR ARE LIKELY TO BE MORE THAN 2 MILLION MT BELOW EARLIER PROJECTIONS AND THAT MUCH OF THAT DECLINE RESULTS FROM CHINESE INITIATIVES. (SEE HK 11373 AND PEKING 1683.)
(LIMITED OFFICIAL USE)

3. POSTAL AND TELECOMMUNICATIONS TARGET REACHED

A RECENT ANHWEI BROADCAST, DESCRIBING THE PROVINCE'S PROGRESS IN TELECOMMUNICATIONS, INDICATES THAT THE PRC IS STILL TRYING TO MEET THE TARGETS SET OUT IN THE 1956 PLAN FOR AGRICULTURAL DEVELOPMENT. ACCORDING TO THE REPORT, TELEPHONE SERVICES HAVE BEEN ESTABLISHED IN ALL COMMUNES AND IN SOME PRODUCTION BRIGADES IN THE RURAL AREAS, AND ALL PRODUCTION BRIGADES (OVER 24,000 ON THE BASIS OF DATA IN ANHWEI RS, SEPTEMBER 28) CAN BE REACHED
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 HONG K 11539 01 OF 03 220136Z

BY MAIL. THIS, THE BROADCAST CONTINUED, " ESSENTIALLY" ACHIEVES THE TARGET "STIPULATED IN THE NATIONAL PROGRAM FOR AGRICULTURAL DEVELOPMENT."
TO ACHIEVE THIS MARK MEANT AN INCREASE IN THE LENGTH OF LONG DISTANCE COMMUNICATIONS CABLES BY 43 PERCENT AND IN MAIL ROUTES BY 18 PERCENT OVER 1965. A SIDE BENEFIT, AS THE ANHWEI BROADCAST POINTED OUT, IS IN INCREASING THE DISTRIBUTION OF PARTY NEWSPAPERS AND PERIODICALS (RS, SEPTEMBER 26).
ANHWEI IS ONE OF ONLY FIVE PROVINCES THAT HAS ANNOUNCED ACHIEVEMENT OR PARTIAL ACHIEVEMENT OF THE POSTAL AND TELECOMMUNICATIONS GOALS SET OUT IN THE 1956 AGRICULTURAL DEVELOPMENT PROGRAM -- GOALS THAT WERE ORIGINALLY TO HAVE BEEN REACHED BY 1968. (UNCLASSIFIED)

4. NATIONAL CONFERENCE ON SMOKE AND SOOT ELIMINATION
IN KEEPING WITH RECENT INDICATIONS OF PRC CONCERN
FOR ENVIRONMENTAL PROTECTION (HK 10763), THE STATE
CAPITAL CONSTRUCTION COMMISSION RECENTLY SPONSORED A
NATIONAL CONFERENCE ON SMOKE AND SOOT ELIMINATION IN
SHENYANG. THE PURPOSE OF THE CONFERENCE WAS TO EXCHANGE
COMMON EXPERIENCES IN SMOKE ELIMINATION BY LARGE INDUS-
TRIAL CITIES IN THE PRC.
THE CONFERENCE CITED SHENYANG AS HAVING SUCCESSFULLY
ELIMINATED ALL BUT A TRACE OF WHITE VAPOR FROM OVER 50
PERCENT OF THE CHIMNEYS IN ITS INDUSTRIAL SECTOR. AS OF
JULY, OVER 3,400 (71 PERCENT) OF THE CITY'S 4,730 FACTORY SMOKE-
STACKS HAD "BASICALLY" (READ: NOT COMPLETELY) ELIMINATED
THE EMISSION OF BLACK SMOKE. THE SAME SITUATION WAS
CLAIMED FOR A NUMBER OF OTHER LARGE CITIES (TWELVE WERE
SPECIFICALLY LISTED) WHERE 30 TO 90 PERCENT OF FACTORY
SMOKESTACKS HAD "BASICALLY" ELIMINATED BLACK SMOKE EMISSION.
THE CONFERENCE ALSO NOTED THAT MUNICIPAL ORGANIZATIONS HAD
BEEN FORMED UNDER THEIR RESPECTIVE PARTY COMMITTEES TO
HANDLE POLLUTION WORK.
LINKING PRODUCTION PROMOTION WITH ENVIRONMENTAL
IMPROVEMENT, THE CONFERENCE POINTED OUT THE ELIMINATION OF
SMOKE AND SOOT HAD IMPROVED FURNACE EFFICIENCY BY SAVING
OVER TEN PERCENT IN FUEL CONSUMPTION, AND SOME FACTORIES
HAD BEEN ABLE TO CONVERT HARMFUL GASES INTO CHEMICAL
FERTILIZER, THUS "PROMOTING FARM PRODUCTION" (RS,
CONFIDENTIAL

CONFIDENTIAL

PAGE 05 HONG K 11539 01 OF 03 220136Z

OCTOBER 9).

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 HONG K 11539 02 OF 03 220213Z

70

ACTION EB-06

INFO OCT-01 EUR-08 EA-06 ISO-00 SP-02 AID-05 NSC-05 RSC-01

CIEP-01 TRSE-00 SS-15 STR-01 OMB-01 CEA-01 CIAE-00

COME-00 FRB-01 INR-05 NSAE-00 XMB-02 OPIC-03 LAB-01

SIL-01 AGR-05 SWF-01 OES-03 CEQ-01 EPA-01 SAJ-01

SAM-01 NIC-01 TAR-01 HEW-02 CU-02 /085 W

----- 069998

R 212305Z OCT 74

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 2615

INFO USLO PEKING

AMEMBASSY BANGKOK

AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY MOSCOW

AMEMBASSY RANGOON

AMEMBASSY ROME

AMEMBASSY SINGAPORE

AMEMBASSY/TAIPEI

AMEMBASSY TOKYO

AMEMBASSY VIENTIANE

AMEMBASSY CANBERRA

AMEMBASSY SAIGON

COMUSTDC

FBIS OKINAWA

CINCPAC HONOLULU HI

AMCONSUL BRISBANE

AMEMBASSY PARIS

C O N F I D E N T I A L SECTION 2 OF 3 HONG KONG 11539

NOFORN

CINCPAC FOR POLAD

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HONG K 11539 02 OF 03 220213Z

THE CONFERENCE IN SHENYANG IS THE FIRST PUBLICIZED NATIONAL MEETING ON POLLUTION IN THE PRC THAT WE HAVE NOTED, AND IT IS THE FIRST TIME THAT THE EXISTENCE OF MUNICIPAL POLLUTION CONTROL ORGANS HAS SURFACED. IT ILLUSTRATES AT LEAST A MORE VISIBLE, IF NOT GROWING, PRC COMMITMENT TO IMPROVEMENT OF THE ENVIRONMENT, BUT ONE GROUNDED ON A STRONG UNDERLYING THEME OF PROMOTING PRODUCTION THROUGH MORE EFFICIENT UTILIZATION OF RESOURCES AND WASTE MATERIALS. RECENT U.S. VISITORS TO KIRIN, NAKING AND CANTON, HOWEVER, WERE IMPRESSED MORE BY THE LACK OF POLLUTION CONTROL DEVICES AND THE MAGNITUDE OF THE PROBLEMS INVOLVED THAN BY EFFORTS TOWARD THEIR SOLUTION. (UNCLASSIFIED)

5. CANTON TRADE FAIR OPENS

THE 36TH SEMI-ANNUAL CHINA EXPORT COMMODITIES FAIR OPENED OCTOBER 15 IN CANTON TO THE TRADITIONAL SOUND OF FIRECRACKERS AND THE CONTEMPORARY SIGHT OF STREAMERS EXHORTING WORKERS TO "GRASP REVOLUTION AND PROMOTE PRODUCTION." HALF YEAR OUTPUT PERCENTAGE INCREASE FIGURES SEEM TO INDICATE A SLACKENING OF THE GROWTH RATE, HOWEVER, AND PRC SALES AT THE FAIR MAY PROVIDE SOME INDICATORS OF WHETHER THERE HAS BEEN A SERIOUS SHORTFALL IN GOODS PRODUCED FOR EXPORT.

ATTENDANCE AT THE OPENING BANQUET WAS 6,500 500 MORE THAN THE SPRING FAIR, BUT STILL 500 LESS THAN THE FALL 1973 FAIR. OFFICIAL PRC REPRESENTATION WAS THE SAME AS IN THE SPRING. THE HONG KONG AMERICAN CHAMBER OF COMMERCE IS REPRESENTED (A THREE MAN DELEGATION) FOR THE FIRST TIME. IN ADDITION AMCHAM IS -- AGAIN FOR THE FIRST TIME --HELPING THE NATIONAL COUNCIL FOR U.S.-CHINA TRADE STAFF AT ITS SUITE. ALSO IN ATTENDANCE ARE OFFICERS FROM USLO AND THE FIRST AMERICAN JOURNALIST IN A YEAR, HENRY BRADSHAW OF THE WASHINGTON STAR-NEWS.

PRICE INFORMATION IS SPARSE. TWO RUMORS AGREE THAT TEXTILE PRICES HAVE FALLEN, BUT THE QUESTION IS WHETHER THE DROP IS ENOUGH TO ATTRACT BUYERS IN THE FACE OF PRICE CUTTING AND SURPLUS CAPACITY ELSEWHERE IN THE WORLD. PRC SALES ARE AGAIN THE OVERWHELMING FOCUS OF THE FAIR; AS IN SPRING, TECHIMPORT IS NOT REPRESENTED. MACHIMPEX IS, HOWEVER, TALKING TO FOREIGN EXPORTERS, AND AN AMERICAN OILFIELD CONFIDENTIAL

CONFIDENTIAL

PAGE 03 HONG K 11539 02 OF 03 220213Z

EQUIPMENT REPRESENTATIVE HAS GONE TO CANTON FOR THIS PURPOSE. THE MOOD OF LOCAL BUSINESSMEN AND CHINA WATCHERS AND OF U.S. AND FOREIGN BUSINESSMEN ON THEIR WAY TO THE FAIR WAS RESTRAINED. BRIEF PRESS REPORTS FROM A FEW EARLIER RETURNEES ARE SOMEWHAT MORE OPTIMISTIC; THEY NOTE PRC INTEREST IN (BUT NO PURCHASES OF) OILFIELD EQUIPMENT AND MORE CHINESE WILLINGNESS THAN PREVIOUS TO DISCUSS SALES OF METALS AND MINERALS. AMONG THOSE MENTIONED WERE WOLFRAM, GALLIUM, ANTIMONY AND TIN (SOUTH CHINA MORNING POST, OCTOBER 21). (UNCLASSIFIED)

6. PEKING SLAMS FORD'S ECONOMIC PROGRAM

PEKING DENIGRATED PRESIDENT FORD'S ANTI-INFLATION PROPOSALS BEFORE THE JOINT SESSION OF CONGRESS AS A "MERELY SO-CALLED REVENUE INCREASE WHICH WILL INCREASE THE BURDEN OF THE PEOPLE" ALTHOUGH IT NOTED HIS STATEMENT THAT THE TAX WOULD AFFECT ONLY GROUPS "ABOVE THE MIDDLE INCOME." IT ALSO QUOTED AP-DJ AS SAYING HIS PLAN "IS UNLIKELY TO CURE U.S. ECONOMIC ILLS SOON." (NCNA OCTOBER 9).

PEKING HAS ALSO CONTINUED ITS USUAL DRUMFIRE OF NEWS ITEMS DEPICTING AMERICA'S ECONOMIC AND SOCIAL SHORT-

COMINGS. NCNA HAS RECENTLY REPORTED (1) THE LONGEST RENT STRIKE IN U.S. HISTORY IN WHICH, SAID NCNA, BLACKS IN NEWARK VICTORIOUSLY DEFIED ALL KINDS OF THREATS BY THE COURT AND THE HOUSING AUTHORITY (OCTOBER 12), (2) A MOUNTING WAVE OF STRIKES WITH THE WORKERS SHOWING "HIGH MILITANCY," BETRAYALS OF THE INTERESTS OF THE WORKING CLASS BY SCAB UNIONS, AND INDUSTRIAL PRODUCTION GOING DOWNHILL (OCTOBER 14), AND (3) GUYANA'S PROTEST AGAINST "U.S.-OWNED" REYNOLDS MINES' "DISREGARD OF STATE SOVEREIGNTY" IN ITS "UNJUSTIFIABLE" REFUSAL TO PAY A NEW PRODUCTION TAX ON BAUXITE (OCTOBER 13). (UNCLASSIFIED)

7. TWO BLOC SCIENTIFIC"TECHNICAL PROTOCOLS SIGNED TWO PROTOCOLS ON SCIENTIFIC AND TECHNICAL COOPERATION WITH SOCIALIST NATIONS WERE SIGNED RECENTLY, MAKING IT THREE SO FAR THIS YEAR. THE ONE WITH BULGARIA WAS SIGNED ON SEPTEMBER 21 IN PEKING BY YANG LI-KUNG, HEAD OF THE PRC DELEGATION AND A VICE MINISTER FOR AGRICULTURE AND FORESTRY AND BY S. SULENEZOV, CHAIRMAN OF THE CENTRAL COOPERATIVE CONFIDENTIAL

CONFIDENTIAL

PAGE 04 HONG K 11539 02 OF 03 220213Z

UNION. FANG YI, MINISTER FOR ECONOMIC RELATIONS WITH FOREIGN COUNTRIES ATTENDED THE CEREMONY (NCNA). HIS ATTENDANCE SEEMS TO BE PART OF AN EFFORT BY THE PRC TO IMPROVE THE ATMOSPHEREICS OF RELATIONS WITH BULGARIA BY UP-GRADING THE LEVEL OF OTHER OFFICIALS PRESENT AT THE CEREMONY. NO BULGARIAN MINISTER WAS REPORTED PRESENT AT LAST YEAR'S CEREMONY IN SOPHIA. LAST YEAR'S AGREEMENT WAS SIGNED IN SEPTEMBER 1973, ALSO BY YANG AND SULENEZOV. THE AGREEMENT WITH CZECHOSLOVAKIA WAS SIGNED ON SEPTEMBER 24 BY SUN YU-YU, VICE MINISTER FIRST MINISTRY OF MACHINE BUILDING AND A. MRAZEK, VICE MINISTER TECHNOLOGICAL AND INVESTMENT DEVELOPMENT (NCNA). USUALLY HELDUJNNUALLY, THE APRIL 1973 SESSION BROKE A SIX-YEAR HIATUS. THE RESULTING PROTOCOL WAS SIGNED BY MRAZEK AND MA YI, ANOTHER VICE MINISTER IN THE SAME MINISTRY. (THE PROTOCOL WITH THE DRV IN MARCH WAS THE FIRST ONE SIGNED THIS YEAR.) (UNCLASSIFIED)

8. TRADE AGREEMENTS SIGNED AUSTRALIAN DEPUTY FOREIGN MINISTER AND MINISTER FOR OVERSEAS TRADE CAIRSN, AND PRC FOREIGN TRADE MINISTER LI CHIANG OCTOBER 12 SIGNED LETTERS TO BE EXCHANGED IN RELATION TO AN AGREEMENT ON THE RECIPROCAL REGISTRATION OF TRADE MARKS (NCNA). CONSIDERING THAT THE COUNTRIES HAVE FULL DIPLOMATIC RELATIONS, THE EXCHANGE OF LETTERS APPROACH TO A TRADE MARK AGREEMENT SEEMS UNUSUAL. THE CHINA-IRAN TRADE MIXED COMMITTEE, HOLDING ITS FIRST MEETING UNDER THE APRIL 1973 TRADE AND PAYMENTS

AGREEMENT, REACHED AGREEMENT ON A NEW LIST OF COMMODITIES TO BE EXCHANGED (NCNA TEHRAN SEPTEMBER 29). AFP REPORTED FROM TEHRAN THAT THE PRC WILL EXPORT IRON AND STEEL, PROCELAINWARE, PAPER AND MEATS, WHILE IMPORTING BUSES, FARM MACHINERY, CHEMICAL AND PETROCHEMICAL PRODUCTS, MEDICINES AND KNITWEAR. AFP'S LIST OMITTS RAW COTTON, HOWEVER, WHICH COMPRISED 87 PERCENT OF THE PRC'S \$26.9 MILLION WORTH OF IMPORTS FROM IRAN IN 1973 (TEHRAN 4344).
(UNCLASSIFIED)

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 HONG K 11539 03 OF 03 220154Z

70

ACTION EB-06

INFO OCT-01 EUR-08 EA-06 ISO-00 SP-02 AID-05 NSC-05 RSC-01

CIEP-01 TRSE-00 SS-15 STR-01 OMB-01 CEA-01 CIAE-00

COME-00 FRB-01 INR-05 NSAE-00 XMB-02 OPIC-03 LAB-01

SIL-01 AGR-05 SWF-01 OES-03 CEQ-01 EPA-01 SAJ-01

SAM-01 NIC-01 TAR-01 HEW-02 CU-02 /085 W

----- 069774

R 212305Z OCT 74

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 2616

INFO USLO PEKING

AMEMBASSY BANGKOK

AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY MOSCOW

AMEMBASSY RANGOON

AMEMBASSY ROME

AMEMBASSY SINGAPORE

AMEMBASSY TAIPEI

AMEMBASSY TOKYO

AMEMBASSY VIENTIANE

AMEMBASSY CANBERRA

AMEMBASSY SAIGON

COMUSTDC

FBIS OKINAWA

CINCPAC HONOLULU HI
AMCONSUL BRISBANE
AMEMBASSY PARIS

C O N F I D E N T I A L SECTION 3 OF 3 HONG KONG 11539

NOFORN

CINCPAC FOR POLAD
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HONG K 11539 03 OF 03 220154Z

9. PRC EXHIBITIONS AND FAIRS ABROAD

CONTINUING TO SPEARHEAD THE PRC'S EXPORT DRIVE, CCPIT HAS PARTICIPATED IN 16 INTERNATIONAL FAIRS SO FAR THIS YEAR, COMPARED TO 17 IN 1973 AND 12 FOR 1972, AS WELL AS IN NUMEROUS OLO EXHIBITIONS.

THE TOKYO EXHIBITION, MARKING THE SECOND ANNIVERSARY OF THE NORMALIZATION OF SINO-JAPANESE RELATIONS, CLOSED OCTOBER 10 AFTER A 21-DAY RUN DURING WHICH IT DREW 1.2 MILLION VISITORS TO SEE THE 10,000 ITEMS ON DISPLAY. THE JAPAN TIMES REPORTS TOTAL SALES OF AN ESTIMATED \$5.3 MILLION WORTH OF THE ART OBJECTS, DAILY NECESSITIES, FOODSTUFFS, ACCESSORIES, BOOKS AND STATIONERY OFFERED FOR SALE AT THE EXHIBITION. THE SAME EXHIBIT DREW 2.6 MILLION VISITORS IN OSAKA, BUT SALES THERE TOTALLED ONLY \$4.5 MILLION.

THE FIRST PRC EXHIBITION IN NEW ZEALAND CLOSED ON SEPTEMBER 29 AFTER A TWELVE DAY RUN, ATTRACTING 70,000 VISITORS TO SEE FARM PRODUCE, PRODUCTS OF THE LIGHT, HEAVY AND TEXTILE INDUSTRIES, AS WELL AS ARTS AND HANDICRAFTS, ALL DISPLAYED IN A 4,000 SQUARE METER AREA (NCNA).

OTHER RECENT EXHIBITIONS INCLUDE THE HANDICRAFT ART, AND ARCHITECTURE EXHIBITION IN TEHRAN WHICH CLOSED SEPTEMBER 16 AND THE ECONOMIC AND TRADE EXHIBITION IN ACCRA WHICH CLOSED SEPTEMBER 20 (NCNA).

GEORGETOWN, GUYANA, WAS THE SITE FOR THE LATEST PRC ECONOMIC AND TRADE EXHIBITION, WHICH WAS OPENED ON OCTOBER 5 BY CHANG CHEN-CHIANG, A VICE MINISTER FOR METALLURGICAL INDUSTRY. IT CLOSED OCTOBER 14, AND ATTRACTED 150,000 VISITORS. CHINESE RESIDENTS IN GUYANA, TRINIDAD AND TOBAGO, AND SURINAM ALSO VISITED THE EXHIBITION (NCNA).

UPI REPORTED THAT THE PRC, PARTICIPATING FOR THE

FIRST TIME IN THE 39TH INTERNATIONAL SALONIKA FAIR IN GREECE, HAD THE LARGEST PAVILION AMONG THE 22 COUNTRIES
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 HONG K 11539 03 OF 03 220154Z

WHICH HAD EXHIBITS. (THE PRC ASKED FOR AN EXHIBITION AREA OF 1,500 SQUARE METERS, THESSALONIKI 77). ITEMS DISPLAYED INCLUDED COMPUTERS, CERAMIC TILE, AIRPLANE FUEL, MUSICAL INSTRUMENTS, TEA, CEREALS AND HANDICRAFTS. THE PRC PAVILION MAY NOT HAVE DONE WELL; ALTHOUGH NCNA REPORTED THE FAIR'S OPENING ON SEPTEMBER 2, THERE WAS NO MENTION OF ITS CLOSING ON SEPTEMBER 27 OR OF THE FINAL FAIR STATISTICS.

ANOTHER FAIR IN WHICH THE PRC IS PARTICIPATING FOR THE FIRST TIME IS THE MARSEILLES INTERNATIONAL FAIR, WHERE THE PRC IS EXHIBITING TEXTILES, LIGHT INDUSTRIAL PRODUCTS AND HANDICRAFTS IN 1,000 SQUARE METERS (NCNA). THE LAO "THAT LUONG" FESTIVAL INTERNATIONAL FAIR OPENED OCTOBER 17 IN VIENTIANE WITH MORE THAN TEN COUNTRIES INCLUDING LAOS EXHIBITING. THE PRC, EXHIBITING FOR THE FIFTH TIME, IS DISPLAYING LIGHT INDUSTRIAL PRODUCTS, TEXTILES, FOODSTUFFS, AND LOCAL SPECIAL PRODUCTS AND HANDICRAFTS.

THE PRC PAVILION AT THE BUDAPEST 1974 AUTUMN INTERNATIONAL FAIR DREW 400,000 VISITORS BEFORE THE 9-DAY FAIR CLOSED ON SEPTEMBER 22. EXHIBITS INCLUDED TEXTILES, CONSUMER GOODS AND HANDICRAFTS (NCNA). (UNCLASSIFIED)

10. FOREIGN EXHIBITIONS IN THE PRC

DESPITE A RECENT SPATE OF MEDIA ATTACKS ON OVER-RELIANCE ON FOREIGN IMPORTS TO THE DETRIMENT OF CHINA'S OWN EFFORTS TO INNOVATE, THE PRC CONTINUES TO PERMIT AND REPORT FOREIGN TRADE EXHIBITIONS AND TO PLAN ONES FOR NEXT YEAR. BELGIUM WILL HOLD AN EXHIBITION IN PEKING IN AUGUST 1974, THE FOURTH COUNTRY TO HAVE ANNOUNCED PLANS FOR EXHIBITIONS IN THE PRC. (AGENCIES)

ONE SIGNIFICANT TRADE EXHIBITION JUST OPENED, WHILE ANOTHER JUST CLOSED. THE FIRST AUSTRALIAN EXHIBITION IN THE PRC WAS OPENED ON OCTOBER 11 IN PEKI G. DR. JAMES F. CAIRNS, DEPUTY PRIME MINISTER AND MINISTER FOR OVER-SEAS TRADE, PRESIDED, AND VICE PREMIER LI HSIEN-NIEN CUT THE RIBBON. MORE THAN 100 FIRMS EXHIBITED AGRICULTURAL
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 HONG K 11539 03 OF 03 220154Z

PRODUCTS, LIVESTOCK BREEDING, FORESTRY, MINERALS, TRANSPORT AND COMMUNICATIONS, HEALTH AND MEDICINAL PRODUCTS, IN A 15000 SQUARE METER AREA. PEDIGREED SHEEP AND STUD CATTLE WERE IN THE COURTYARD (NCNA).

AFP, NOTING THAT THIS IS THE LARGEST EXHIBITION TO BE STAGED ABROAD BY THE AUSTRALIAN GOVERNMENT, REPORTED THAT CHINESE OFFICIALS PAID PARTIUCULAR ATTENTION TO THE FARMING AND MINING EQUIPMENT EXHIBITS. DR. CAIRNS AND SHA FENG WILL OPEN THE PRC EXHIBITION IN SYDNEY ON OCTOBER 18.

A POLISH EXHIBITION IN TIENTSIN CLOSED ON SEPTEMBER 30, AFTER RUNNING HALF A MONTH. IT DISPLAYED MINING AND ELECTRICAL MACHINERY, MOTOR VEHICLES AND ELECTRONIC-CONTROLLED EQUIPMENT. THE SHOW DREW ONLY 30,000 VISITORS, BUT THAT FIGURE INCLUDES SCIENTISTS AND TECHNICIANS, THE PRIME TARGET AUDIENCE (NCNA).

WE UNDERSTAND THAT THE POLES WILL SHIP THEIR ENTIRE EXHIBIT HOME, AND DO NOT EXPECT ANY IMMEDIATE RESULTS UNTIL THE NEXT SESSION TO NEGOTIATE THE ANNUAL SINO-POLISH GOODS EXCHANGE AND PAYMENTS AGREEMENT. THE LAST AGREEMENT COVERING 1974 WAS SIGNED ON MARCH 11, 1974. IN 1973 POLAND EXPORTED COAL MINING EQUIPMENT, EXCAVATORS, DIESEL ENGINES, AIR COMPRESSORS AND MACHINE TOOLS (1973 WARSAW 1397). (UNCLASSIFIED)

11. RECENT REPORTS ON ECONOMIC TOPICS
HK 11376 PRC URBAN MILITIA AND PRODUCTION
HK 11370 GABON URANIUM SALE IS A DUD
HK 11369 TUNGSTEN--PRODUCTION/CONSUMPTION STATISTICS
HK 11256 OVERCOMING PRC FROZEN SHRIMP REJECTION PROBLEMS
HK 11249 IMPORTED FRESH FROZEN SHRIMP FROM PRC
HK 11148 PRC ATTITUDE TOWARD JOINT VENTURES
HK 11132 PRO-PRC BUSINESSMAN CALLS ON CONSUL GENERAL
HK 11080 CAIRNS VISIT TO PRC
HK 11040 TRAVEL BY HK CONSULAR CORPS TO CANTON TRADE FAIR
A-262 NEW VICE MINISTERS OF FUEL AND CHEMICAL INDUSTRIES AND
OF METALLURGICAL INDUSTRY.
CROSS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CERP 0003, EXPORT DATA, IMPORT DATA, PRICE INDEXES
Control Number: n/a
Copy: SINGLE
Draft Date: 21 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: shawdg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974HONGK11539
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740300-0174
From: HONG KONG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741031/aaaabafw.tel
Line Count: 587
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: CERP 0003
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 10 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 APR 2002 by chappeld>; APPROVED <06 MAR 2003 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PEOPLE'S REPUBLIC OF CHINA --ECONOMIC REVIEW 21
TAGS: ECRP, CH, XX
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005